

Inslee not ready to call special session on school funding

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Gov. Jay Inslee discusses the state Supreme Court's sanctions, including a fine of \$100,000 a day, at a news conference Monday at SeaTac City Hall. (Erika Schultz/The Seattle Times)

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By [Jim Brunner](#)

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Despite a \$100,000-a-day fine imposed by the state Supreme Court, Gov. Jay Inslee will not call lawmakers quickly into a special session on education funding.

Inslee met with Republican and Democratic leaders for about an hour Monday afternoon at SeaTac City Hall. Afterward, he emerged to say lawmakers had agreed to

continue meeting, to see if they can reach consensus on a plan that would satisfy the Supreme Court.

The first-term Democratic governor said his office and lawmakers would “work vigorously to tee up a solution” that the Legislature could then approve, perhaps in a brief special session before the end of the year. More meetings are scheduled this week.

Republican lawmakers agreed further talks are needed before considering a special session.

House Republican Leader Dan Kristiansen, R-Snohomish, said he wasn’t sure a special session was needed. Given the complexity of teacher pay and school-levy issues that need to be resolved, he said it’s more important lawmakers make correct decisions, as opposed to swift ones.

The state Supreme Court last week delivered a unanimous decision slamming lawmakers for failing to deliver a plan to adequately fund public schools by the 2017-18 school year, as required by the court’s 2012 McCleary decision and subsequent contempt ruling.

The court’s order included a \$100,000-a-day fine, to be held in a separate account for public schools.

But that fine is largely symbolic at this point, since the money cannot be moved to the new account until the Legislature votes to do so.

David Postman, a spokesman for Inslee, said, “We take the court’s sanctions very seriously.” But after conferring with the state Attorney General’s Office, he said, the governor concluded legislation is required before such a segregated account can be created. Until then, he said, the state will keep an accounting of the fine.

Postman added that calling legislators into a special session didn’t make sense until more consensus is reached on a plan that will satisfy the court.

Also at Monday's meeting were House Speaker Frank Chopp, D-Seattle; House Majority Leader Pat Sullivan, D-Covington; and Senate Minority Leader Sharon Nelson, D-Maury Island, who left without speaking with reporters.

Legislators do not necessarily have to resolve all the McCleary funding issues to satisfy the court's demand for a plan, Inslee aides said. What the court wants is a timetable with measurable milestones it can hold lawmakers to — with the big decisions on taxes or other spending to come later, said Postman.

The Legislature this year put \$1.3 billion in new money into public schools but failed to finish work on reform of property-tax levies.

The court's McCleary decisions said the state has to pay for teacher compensation and other elements of basic education — rather than foisting those costs on local school districts, which has resulted in major teacher-pay and property-tax inequities over the past several decades.

Untangling that knot will be politically difficult, as past proposals to fix the problem have involved raising property taxes in richer school districts, while lowering them in poorer ones — a so-called levy swap. Another alternative proposed by Democrats would impose a new capital-gains tax on the wealthiest in the state.

"This is a big, thorny, intricate problem," said David Schumacher, director of the state Office of Financial Management.

Inslee said satisfying the court's McCleary mandate will cost an additional \$3 billion a biennium. He said the short-term plan demanded by the court does not necessarily have to specify how to raise that money.

But Inslee, who pushed unsuccessfully for a capital-gains tax in the recent legislative session, said getting that extra money will either require "spectacular revenue growth" or "some additional revenue source."

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